

This page is a reference page used to track documents internally for the Division of Oil, Gas and Mining

Mine Permit Number 51047/0068 Mine Name D Tract Oil Sand Mine
Operator _____ Date Sent Sept 22 2014
TO _____ FROM _____

☐ CONFIDENTIAL ☒ BOND CLOSURE ☐ LARGE MAPS ☐ EXPANDABLE
☐ MULTIPUL DOCUMENT TRACKING SHEET ☐ NEW APPROVED NOI
☐ AMENDMENT ☐ OTHER _____

Description

YEAR-Record Number

☐ NOI ☐ Incoming ☒ Outgoing ☐ Internal ☐ Superceded
Notice of File Closure & Release of Reclamation Surety
2014 - 09222014

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File 2014 - 09222014

CONFIDENTIAL

☐ NOI ☐ Incoming ☐ Outgoing ☒ Internal ☐ Superceded
Bond File 2014 - 09222014

☐ NOI ☐ Incoming ☐ Outgoing ☐ Internal ☐ Superceded

☐ TEXT/ 81/2 X 11 MAP PAGES ☐ 11 X 17 MAPS ☐ LARGE MAP

COMMENTS: _____

CC: _____

FORM MR-RC
Revised January 30, 2003
RECLAMATION CONTRACT

File Number S/047/068
Effective Date June 21, 2004
Other Agency File Number n/a

STATE OF UTAH
DEPARTMENT OF NATURAL RESOURCES
DIVISION of OIL, GAS and MINING
1594 West North Temple Suite 1210
Box 145801
Salt Lake City, Utah 84114-5801
(801) 538-5291
Fax: (801) 359-3940

RECEIVED

APR 13 2004

DIV. OF OIL, GAS & MINING

RECLAMATION CONTRACT

---ooOoo---

For the purpose of this RECLAMATION CONTRACT the terms below are defined as follows:

"NOTICE OF INTENTION" (NOI): (File No.)	<u>S/047/068</u>
(Mineral Mined)	<u>Oil Sands</u>
"MINE LOCATION":	
(Name of Mine)	<u>4.5 Miles West of Vernal, Utah</u>
(Description)	<u></u>
	<u></u>
	<u></u>
"DISTURBED AREA":	
(Disturbed Acres)	<u>4.86 acres</u>
(Legal Description)	<u>(refer to Attachment "A")</u>
"OPERATOR":	
(Company or Name)	<u>Wembco, Inc.</u>
(Address)	<u>20231 Orchid</u>
	<u>Newport Beach, CA 92660</u>
(Phone)	<u>(949)852-8886</u>

"OPERATOR'S REGISTERED AGENT":

Name)

(Address)

(Phone)

Parracorp Incorporated

1108 East South Union Avenue

Midvale, Utah

(800)533-7272

"OPERATOR'S OFFICER(S)":

James L. Barnes, President

Kathy L. Million, Vice President/Secretary

SURETY":

(Form of Surety - Attachment B)

Certificate of Deposit

"SURETY COMPANY":

(Name, Policy or Acct. No.)

Zions Bank

CD No.

"SURETY AMOUNT":

(Escalated Dollars)

\$14,500.00

"ESCALATION YEAR":

2005

"STATE":

State of Utah

"DIVISION":

Division of Oil, Gas and Mining

"BOARD":

Board of Oil, Gas and Mining

ATTACHMENTS:

A "DISTURBED AREA":

B "SURETY":

This Reclamation Contract (hereinafter referred to as "Contract") is entered into between Wembco, Inc. the "Operator" and the Utah State Division of Oil, Gas and Mining ("Division").

WHEREAS, Operator desires to conduct mining operations under Notice of Intention (NOI) File No. S/047/068 which has been approved by the Utah State Division of Oil, Gas and Mining under the Utah Mined Land Reclamation Act, Sections 40-8-1 et seq., Utah Code Annotated, (1953, as amended) (hereinafter referred to as "Act") and implementing rules; and

WHEREAS, Operator is obligated to reclaim that area described as the Disturbed Area as set forth and in accordance with Operator's approved Reclamation Plan, and Operator is obligated to provide surety in form and amount approved by the Division, to assure reclamation of the Disturbed Area.

NOW, THEREFORE, the Division and the Operator agree as follows:

1. Operator agrees to conduct reclamation of the Disturbed Area in accordance with the Act and implementing regulations, the approved Notice of Intention and Reclamation Plan received _____. The Notice of Intention and the Reclamation Plan, as amended, are incorporated by this reference and made a part hereof.
2. Concurrent with the execution hereof, Operator has provided surety to assure that reclamation is conducted, in form and amount acceptable to the Division. Such surety as evidenced by the Surety Contract is in the form of the surety attached hereto as Attachment B and made a part hereof. The Surety Contract shall remain in full force and effect according to its terms unless modified by the Division in writing. If the Surety Contract expressly provides for cancellation, then, within 60 days following the Division's receipt of notice that the Surety Company intends to cancel the Surety Contract, the Operator shall provide a replacement Surety Contract in a form and amount reasonably acceptable to the Division. If the Operator fails to provide an acceptable replacement Surety Contract, the Division may order the Operator to cease further mining activities and to begin immediate reclamation of the Disturbed Area.
3. Operator agrees to pay legally determined public liability and property damage claims resulting from mining to the extent provided in Section 40-8-7(1)(e) of the Act.
4. Operator agrees to perform all duties and fulfill all reclamation requirements applicable to the mine as required by the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
5. The Operator's liability under this Contract shall continue in full force and effect until the Division certifies that the Operator has reclaimed the Disturbed Area in accordance with the Act and implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended.
6. If reclamation of discrete sections of the Disturbed Area is completed to the satisfaction of the Division, and the Division finds that such sections are severable from the remainder of the Disturbed Area, Operator may request the Division to certify that Operator has reclaimed such discrete sections of the Disturbed Area in accordance with the Act and Implementing rules, the Notice of Intention, as amended and the Reclamation Plan, as amended. If the Division makes such certification, Operator may make request to the Division that the aggregate face amount of the Surety Contract provided pursuant to paragraph 2 be reduced to an amount necessary to provide for completion of the remaining reclamation. The Division shall hear Operator's request for such reduction in accordance with the Board's Procedural Rules concerning requests for Agency Action.

7. Operator agrees to indemnify and hold harmless the State, Board and the Division from any claim, demand, liability, cost, charge, suit, or obligation of whatsoever nature arising from the failure of Operator or Operator's agents and employees, or contractors to comply with this Contract.
8. Operator may, at any time, submit a request to the Division to substitute surety. The Division may approve such substitution if the substitute surety meets the requirements of the Act and the implementing rules.
9. This Contract shall be governed and construed in accordance with the laws of the State of Utah.
10. If Operator shall default in the performance of its obligations hereunder, Operator agrees to pay all costs and expenses, including reasonable attorney's fees and costs incurred by the Division and/or the Board in the enforcement of this Contract.
11. Any breach that the Division finds to be material of the provisions of this Contract by Operator may, at the discretion of the Division, result in an order to cease mining operations. After opportunity for notice and hearing, the Board of Oil, Gas and Mining may enter an order to revoke the Notice of Intention, order reclamation, or order forfeiture of the Surety Contract, or take such other action as is authorized by law.
12. In the event of forfeiture of the Surety Contract, Operator shall be liable for any additional costs in excess of the surety amount which are required to comply with this Contract. Any excess monies resulting from forfeiture of the Surety Contract, upon completion of reclamation and compliance with this Contract, shall be returned to the rightful claimant.
13. This Contract including the Notice of Intention, as amended and the Reclamation Plan, as amended, represents the entire agreement of the parties involved, and any modification must be approved in writing by the parties involved.
14. Each signatory below represents that he/she is authorized to execute this Contract on behalf of the named party.

OPERATOR:

Wembco, Inc.
Operator Name

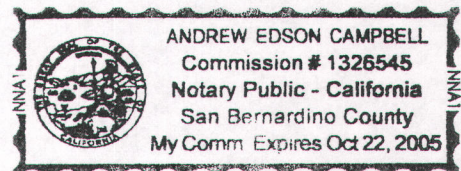
By James L. Barnes
Authorized Officer (Typed or Printed)

President, Chairman of the Board
Authorized Officer - Position

[Signature]
Officer's Signature

4-9-04
Date

STATE OF CALIFORNIA)
COUNTY OF SAN BERNARDINO) SS:



On the 9TH day of APRIL, 2004, JAMES L. BARNES
personally appeared before me, who being by me duly sworn did say that he/~~she~~ is the
PRESIDENT, CHAIRMAN of WEMBCO, INC and duly
acknowledged that said instrument was signed on behalf of said company by authority
of its bylaws or a resolution of its board of directors and said
JAMES L. BARNES duly acknowledged to me that said
company executed the same.

[Signature]
Notary Public
Residing at 39149 NORTH SHORE DRIVE

OCT 22, 2005
My Commission Expires:

DIVISION OF OIL, GAS AND MINING:

By Lowell P. Braxton
Lowell P. Braxton, Director

6/21/04
Date

STATE OF Utah)
COUNTY OF Salt Lake) ss:

On the 21st day of June, 2004, Lowell P. Braxton
personally appeared before me, who being duly sworn did say that he, the said
Lowell P. Braxton is the Director of the Division of Oil, Gas and Mining,
Department of Natural Resources, State of Utah, and he duly acknowledged to me that
he executed the foregoing document by authority of law on behalf of the State of Utah.



Joelle Burns
Notary Public
Residing at: SLC UT

April 4, 2005
My Commission Expires:

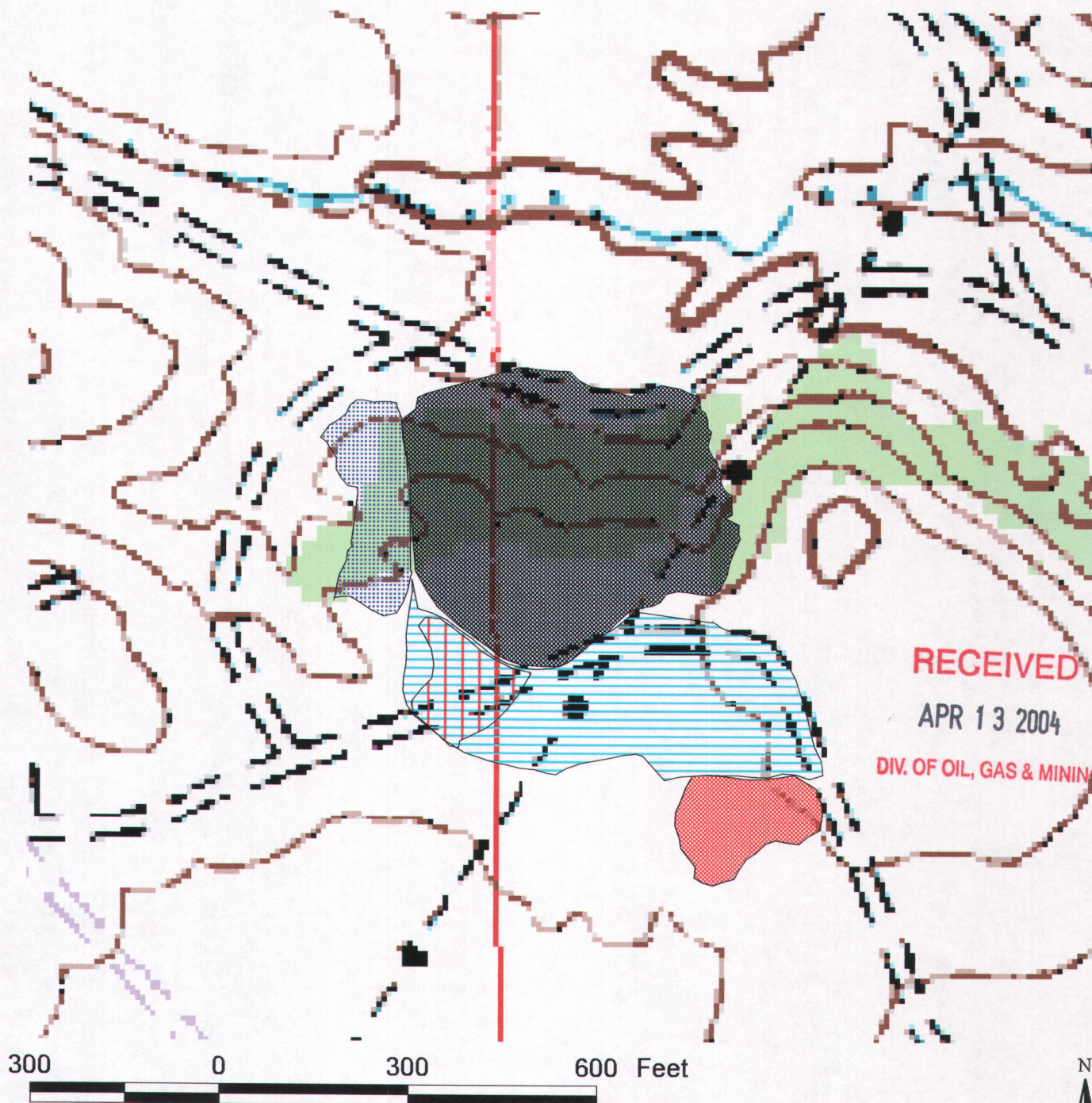
APR 13 2004

ATTACHMENT "A"

Uintah County, Utah

Page 7 of 7
Revised January 30, 2003
Form MR-RC

Wembo Mine S/047/068



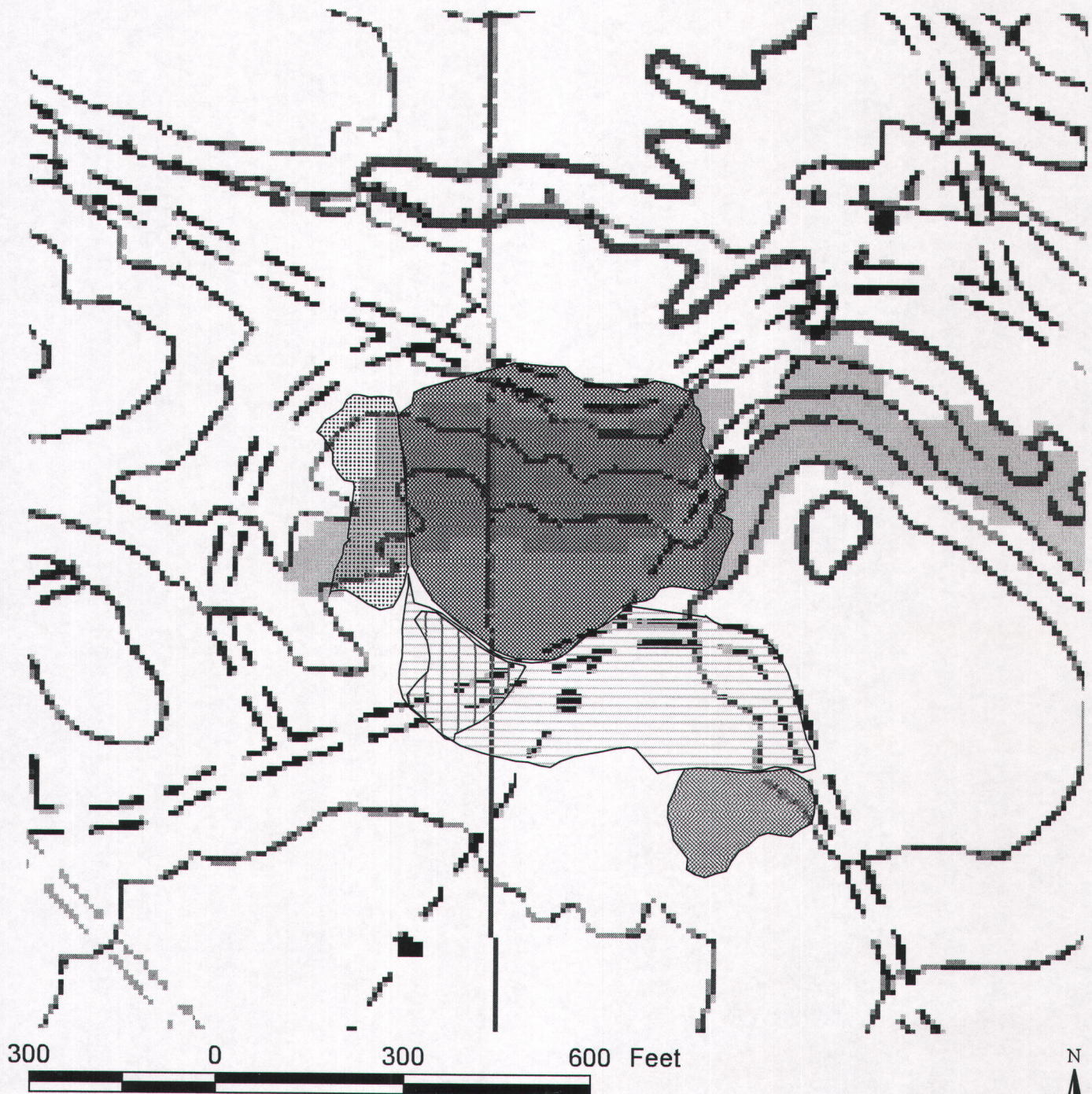
Disturbed Areas

- Processing, 2.93 acres
- Mixing area, 0.48 acres
- Reclaimable area, 0.76 acres
- Recycling area, 0.64 acres
- WEMBCO Mine, 4.38 acres

Map created June 6, 2003, from data gathered by Paul Baker May 22, 2003. Vernal NW Quad, Township 4 South, Range 20 East, Sections 23 and 24, SLBM.

This map may not meet Division standards for accuracy and content. Different data sources and input scales may cause some misalignment of data layers.

Wembo Mine S/047/068



Disturbed Areas

	Processing, 2.93 acres
	Mixing area, 0.48 acres
	Reclaimable area, 0.76 acres
	Recycling area, 0.64 acres
	WEMBCO Mine, 4.38 acres

Map created June 6, 2003, from data gathered by Paul Baker May 22, 2003. Vernal NW Quad, Township 4 South, Range 20 East, Sections 23 and 24, SLBM.

This map may not meet Division standards for accuracy and content. Different data sources and input scales may cause some misalignment of data layers.



GARY R. HERBERT
Governor
SPENCER J. COX
Lieutenant Governor

State of Utah

DEPARTMENT OF NATURAL RESOURCES

MICHAEL R. STYLER
Executive Director

Division of Oil, Gas and Mining

JOHN R. BAZA
Division Director

Minerals Inspection Report

Report Date: 09/17/2014

Reviewed

PPB

Mine Name: D Tract	Permit Number: S/47/0068	Mine Status: Reclaimed
Operator Name: Uintah Basin Resources	Inspection Date: 09/16/2014	Permit Fees: Paid
Inspector(s): A. Abate, P. Baker	Inspection Time: 11:00 AM	Bond Amount: \$14,500
Attendee(s): Larry Allred	Weather: Clear 70s	Bond Escalation: 09/17/2016
Inspection Purpose: Full Bond Release		Prior Inspection: 5/3/2013

Conclusions and Recommendations




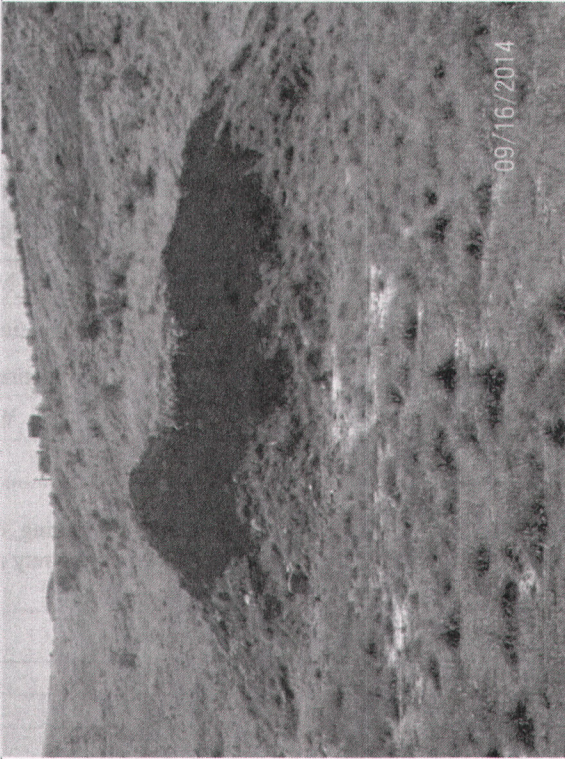
Operator requested a full release on all 5 acres of the permit. Regrading, earthwork and revegetation standards have all successfully been met as per R647-3-109. The Division is authorized a full release of the surety amount of \$14,500. Surface and Mineral owner is both private. No other agency concurrence for the release is necessary.

Elements of Inspection	Evaluated & Commented	Enforcement
1. <i>Permits, Revisions, Transfer, Bonds</i>	<input type="checkbox"/>	<input type="checkbox"/>
2. <i>Public Safety (shafts, adits, trash, signs, highwalls)</i>	<input type="checkbox"/>	<input type="checkbox"/>
3. <i>Protection of Drainages/Erosion Control</i>	<input type="checkbox"/>	<input type="checkbox"/>
4. <i>Deleterious Material</i>	<input type="checkbox"/>	<input type="checkbox"/>
5. <i>Roads (maintenance, surfacing, dust control, safety)</i>	<input type="checkbox"/>	<input type="checkbox"/>
6. <i>Reclamation</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
Earthwork and regrading on the pit was well done and mimicked the natural topography. Mr. Allred indicated that the seeding had been completed approximately 3 years ago.		
7. <i>Backfilling/Grading (trenches, pits, roads, highwalls, shafts)</i>	<input type="checkbox"/>	<input type="checkbox"/>
8. <i>Soils</i>	<input type="checkbox"/>	<input type="checkbox"/>
9. <i>Revegetation</i>	<input checked="" type="checkbox"/>	<input type="checkbox"/>
P. Baker measured vegetation cover using an ocular estimation method on 30 one-meter-square plots in the reclaimed area and 20 in an adjacent undisturbed area where the dominant vegetation is juniper and sagebrush. The reclaimed area had an average of 13.1 percent perennial cover, mostly from crested wheatgrass, with 28.6 percent cover from weeds. Cover in the undisturbed area was estimated at 11.6 percent from perennials, exclusively from sagebrush, juniper and rabbitbrush, and 16.3 percent from weeds.		
10. <i>Other</i>	<input type="checkbox"/>	<input type="checkbox"/>

Inspector's Signature: _____

CC: Larry Allred: toomanygirls.allred@gmail.com

File: /Nrwo gmfs1/ogm/GROUPS/MINERALS/WP/M047-Uintah/S0470068-Wembco/inspections/Insp-09162014.pdf

		Vegetation evaluations - looking east. Undisturbed areas in the background consisted of mature pinion and sagebrush.	Examples of vegetation in the disturbed area.
		Sparse amounts of Rabbitbrush was growing within the permit area.	A small pile of dirt was noted in the permit area.

Application for Site and/or Bond Release DIV. OF OIL, GAS & MINING

Operator/Permittee: <u>Allred Paving</u>	
Mine/Project Name: <u>D-Trac</u>	
File Number: <u>S/047/068</u>	
Check One: <input type="checkbox"/> Large Mine <input checked="" type="checkbox"/> Small Mine <input type="checkbox"/> Exploration	
Check one: <input type="checkbox"/> Partial Release of a <u>portion</u> of the mine site: Acres to be released: _____ Acres Remaining: _____ Specify Area: _____ <input type="checkbox"/> Full Release of a <u>portion</u> of the mine site: Acres to be released: _____ Specify Area: _____ (A new map will need to be provided for the Notice or plan removing the released area from the disturbed or bonded area.) <input checked="" type="checkbox"/> Partial Release of entire mine site: Total Acres to be released: <u>5</u> (Backfilling and grading are completed) <input checked="" type="checkbox"/> Full Release of entire mine site: Total Acres to be released: <u>5</u> (Vegetation is established and has survived three growing seasons.)	
Amount of Existing Surety: <u>14,500</u>	
Amount of Surety requested for release: <u>14,500</u>	
Reason for Bond Release Request: <u>Reclamation Complete</u>	
Complete this section if the money released from this application is to be used as surety for future disturbance. Release bond on: _____ Acres (specify area) _____ Apply Bond to: _____ Acres (specify area) _____	
Check Applicable Boxes	DESCRIPTION of RECLAMATION ACTIVITIES COMPLETED (Describe any variance(s) that have been granted, date activity completed)
<input type="checkbox"/> Wells Plugged / shafts sealed	
<input type="checkbox"/> Disposal of debris & other materials incident to mining	

	Drainages, reestablished & stable	
	Structures demolished / removed	
X	Regrading Completed – Slopes, pits, highwalls in stable condition	
X	Meets Postmining Land Use (Indicate Landuse)	Grazing
	Roads Reclaimed	
	Dams, Impoundments, Ditches, Pits reclaimed	
X	Topsoil respread – amendments added	
	Erosion Controlled	
X	Vegetation meets 70% of premining cover and has survived three years for full bond release – or has survived one year growing season to maintain small mine status.	

I hereby certify that I am a responsible official of the applicant and that the information contained in this application is true and correct to the best of my information and belief in all respects with the laws of Utah in reference to commitments and obligations, herein.

Larry J. Allred
 Print Name
435-828-4443

Larry J. Allred Owner
 Sign Name, Position

Aug 4, 2014
 Date

Return to:

State of Utah
 Department of Natural Resources
 Division of Oil, Gas and Mining
 1594 West North Temple, Suite 1210
 Box 145801
 Salt Lake City, Utah 84114-5801
 Phone: (801) 538-5291 Fax: (801) 359-3940

FOR DOGM USE ONLY:	
File #:	M/ /
Approved:	
Bond Adjustment: from (\$)	
to \$	

O:\FORMS\Bonding Forms\Bond-Release\site-bond-release-applic.doc

Mine Number: S470068

Mine Name: D TRACT - OIL SAND MINE
Township 04.0 S Range 20.0 E Section 24

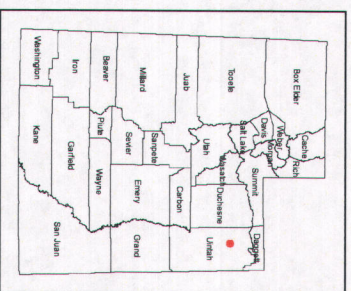
Meridian: SLBM

Inspection Date: 20/06/3/21
Map Produced by DKS

Acres Disturbed	10.35
Acres Regraded	0
Acres Seeded	0
Road Acres Disturbed	0
Total Acres Disturbed	10.35
Acres Released	0
Acres Excluded	0
Acres Preexisting	0
Acres Prelaw	0

- Legend**
All items symbolized in legend may not be appear on map
- Active Mines
 - Inactive Mines
 - Unknown Status
 - County Boundary
 - Section line
 - Section line location doubtful
 - Access
 - US Route
 - State Route
 - Highway
 - Primary Route
 - Secondary Route
 - Main Dirt Road
 - Unimproved Road
 - Interchange
 - Tail
 - Disturbed
 - Regraded
 - Seeded
 - Excluded
 - Preexisting
 - Proposed
 - Reclaimed
 - BLM Mineral Leases
 - BLM Salable Minerals
 - BLM Mining Notices
 - Community Pt
 - STLA Mineral Ownership

NAP Imagery date 2006



0 625
Feet
1:7,500 1 inch equals 625 feet
Verify Scale

Dept. of Natural Resources
Division of Oil, Gas, and Mining
Mineral Mines Program
6/3/2008 NAD 1987 UTM Zone 12N

9/047/0068

Registered Principals

Name	Type	City	Status
UINTAH BASIN RESOURCES, LLC	Limited Liability Company	SALT LAKE CITY	Expired
Position	Name	Address	
Registered Agent	OILSAND TECHNOLOGY INDUSTRY UTAH, LLC	1245 EAST BRICKYARD ROAD	SALT LAKE CITY UT 84106
Member	UTAH HYDROCARBON, INC.	1245 EAST BRICKYARD ROAD	SALT LAKE CITY UT 84106
If you believe there may be more principals, click here to			

Search by:

Name:

91047/0006

Registered Principals

Name	Type	City	Status
UTAH HYDROCARBON, INC.	Corporation	SALT LAKE CITY	Expired
Position	Name	Address	
Registered Agent	OILSAND TECHNOLOGY INDUSTRY UTAH, LLC	1245 EAST BRICKYARD ROAD	SALT LAKE CITY UT 84106
Treasurer	SOUNG JOON KIM	1245 EAST BRICKYARD ROAD	SALT LAKE CITY UT 84106
Director	SUNG ILL LEE	1245 EAST BRICKYARD ROAD	SALT LAKE CITY UT 84106
President	SUNG ILL LEE	1245 EAST BRICKYARD ROAD	SALT LAKE CITY UT 84106

If you believe there may be more principals, click here to

Search by:

Name:



State of Utah

Department of
Natural Resources

ROBERT L. MORGAN
Executive Director

Division of
Oil, Gas & Mining

LOWELL P. BRAXTON
Division Director

OLENE S. WALKER
Governor

GAYLE F. McKEACHNIE
Lieutenant Governor

May 28, 2004

TO: Lowell P. Braxton, Director ✓ *mon*

THRU: Mary Ann Wright, Associate Director

THRU: D. Wayne Hedberg, Permit Supervisor *DWH*

FROM: Paul Baker, Senior Reclamation Specialist *PB*

SUBJECT: Request for Approval of Form and Amount of Surety and Reclamation Contract, Wembco, "D" Tract Oil Sands Mine, S/047/068, Uintah County, Utah

On August 13, 2003, the Division issued a directive requiring Larry Allred to permit the referenced mine site as a large mine and to submit a reclamation bond. A conference was held on February 3, 2004, with Mr. Allred and his attorney, Tom Bachtell, to discuss the directive. As a result of this conference, it was decided that the permittee, Wembco Inc., would need to submit a reclamation bond of \$12,150 for reclamation of 4.86 acres. The Division would continue to work with Mr. Allred as he reclaims some areas and consolidates his operations.

The Division has now received a reclamation bond in the form of a Certificate of Deposit in the amount of \$14,500. Although the permittee is Wembco, the Certificate of Deposit is owned by Larry and Dorene Allred. It is held by Zions Bank for the benefit of the Division.

If you are in agreement with acceptance of the surety, please sign and date the Reclamation Contract and the Certificate of Deposit. Thank you for your consideration.

PBB:jb
O:\M047-Uintah\S0470068-Wembco\draft\memo-dir-05282004.doc

*Approved LRB
6-21-04*